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Egypt

Citrus

CITRUS ANNUAL REPORT

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Report Highlights:

Egypt's citrus exports in 1997 declined by 37 percent, mainly because of a drop in orange exports to Saudi arabia by over 50 percent.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Cairo [EG1], EG

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Executive Summary

In 1997/98, oranges area and production declined by 2 and 16 percent, respectively from the 1996/97 level. The decline in production was mainly due to a decrease in average yield as a result of infestation by several pests. Oranges exports declined by 37 percent in 1997/98, as a result of losing price competitiveness with other orange exporting countries. Both area and production of mandarins and others citrus slightly increased in 1997/98, mainly as a result of some orange growers shifting to other citrus and mandarins. Other citrus exports increased due to increased demand by importing countries.

Oranges

PSD Table						
Country:	Egypt					
Commodity:	Oranges					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		10/96		10/97		10/98
Area Planted	92	92	95	90	0	90
Area Harvested	84	84	86	81	0	80
Bearing Trees	5450	5450	4500	4260	0	4255
Non-Bearing Trees	3125	3125	4080	3868	0	3870
TOTAL No. Of Trees	8575	8575	8580	8128	0	8125
Production	1613	1613	1370	1350	0	1345
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1613	1613	1370	1350	0	1345
Exports	240	240	180	150	0	145
Fresh Dom. Consumption	1361	1361	1175	1184	0	1183
Processing	12	12	15	16	0	17
TOTAL DISTRIBUTION	1613	1613	1370	1350	0	1345

Production

Oranges are a winter fruit well-suited to the Egyptian climate. Orange production accounts for well over half the total fruit production in Egypt. Orange cultivation is centered in two large geographic regions: the fertile Delta area and the newly reclaimed lands. Navel oranges are the predominant variety. Lesser amounts of local (baladi), sweet, valencia, and other varieties are also produced. The harvest of navel oranges begins in October and is followed by other varieties in November and December. The harvest usually lasts from 4 to 5 months. In 1997/98, the orange area declined slightly to 90,000 hectares, compared to 92,000 hectares in 1996/97. For 1998/99, the orange area and production are expected to be about the same as 1997/98. Total orange production decreased by about 16 percent in 1997/98. The decline in orange production was mainly due to a decrease in average yield, 7.78 MT/feddan in 1997/98, compared to 8.05 MT/feddan in 1996/97. The decrease in yield was

due to the infestation by several pests such as Leaf Minor, Fruit Fly, Honey Dew and Carob Moth.

Consumption

Oranges are the main fruit available in Egypt during the winter. Due to the fact that oranges are relatively inexpensive, Egyptians consume large amounts of oranges, both fresh and juice. Per capita consumption of oranges is estimated at about 20 Kg per year. The orange processing industry is expanding due to the increase in number of companies producing orange juice.

Trade

The Egyptian orange export season is relatively long, extending from December to April, and thus quite favorable for the export of navel oranges. Although Egypt has excellent opportunities for expanding its orange exports due to its favorable climate and strategic geographic location, exports of Egyptian oranges to the European market continue to be limited by the uneven quality of Egyptian oranges as well as by competition from other suppliers such as Spain, Israel, and Morocco. However, European countries import baladi and summer varieties, mainly for juicing. Saudi Arabia is currently the largest market for Egyptian oranges, which imports only the top quality of the Egyptian crop. Total Egyptian orange exports in 1997/98 decreased 37 percent from their 1996/97 level. Most of this decline was due to decreased orange exports to the Saudi market which went down by more than 50 percent. For 1998/99, exports are forecast to remain at similar level to that of 1997/98. According to exporters, Egyptian orange exports lost some of its competitiveness in the international markets due to several reasons. Prime among them is poor average land productivity. Egyptian growers harvest 7.78 tons per feddan, while in competing countries like Spain for example yield reaches 15 to 16 tons. Another factor is that Spain and Morocco are closer to European markets, while Egyptian exporters have to reach the European markets by ship or plane, Spain and Morocco use land routes which are much cheaper. Egyptian exporters prefer to sell cash on FOB basis in order to avoid the risk of rejection or price adjustment to cargo due to low quality. The average export price for the 1997/98 season was between \$ 320 and 390/MT FOB.

Export Trade Matrix			
Country:		Units:	MT
Commodity:			
Time period:			
Exports for	1996		1997
U.S.		U.S.	
Others		Others	
S.Arabia & Gulf	198,912	S.Arabia & Gulf	95,732
Eastern Europe	24,875	Eastern Europe	35,423
W.Europe	16,213	W.Europe	18,845
Total for Others	240000		150000
Others not listed			
Grand Total	240000		150000

Tangerines

PSD Table						
Country:	Egypt					
Commodity:	Fresh Tangerines					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		10/96		10/97		10/98
Area Planted	35	35	35	36	0	36
Area Harvested	29	29	30	30	0	31
Bearing Trees	1966	1966	2000	2018	0	2020
Non-Bearing Trees	1042	1042	1008	992	0	990
TOTAL No. Of Trees	3008	3008	3008	3010	0	3010
Production	448	448	455	460	0	460
Imports	0	0	0	0	0	0
TOTAL SUPPLY	448	448	455	460	0	460
Exports	7	7	10	10	0	10
Fresh Dom. Consumption	438	438	442	445	0	445
Processing	3	3	3	5	0	5
TOTAL DISTRIBUTION	448	448	455	460	0	460

Production

The major variety of tangerines grown in Egypt is the mandarin. The type of mandarins produced is local “Baladi” which is not a hybrid variety. Although mandarin trees bear at an earlier age than orange trees, producers still prefer planting oranges as their return is more profitable. Mandarins are mainly produced for the local market, with limited quantities for the export market. In 1997/98, total tangerine production increased to 460,000 MT, or 2 percent over the 1996/97 level. This increase is attributed mainly to the increase in the area planted to mandarins resulting in some farms shifting from orange to mandarin production because mandarin trees are more resistant to pests than orange trees. The mandarin production season is shorter than the orange season. It begins at about the same time in November/December but ends in February/March, about two months earlier than the orange season.

Consumption

Despite the predominance of orange production, many Egyptian consumers actually prefer mandarins to oranges because tangerines are easier to eat. During the 1997/98 marketing season (November-October), wholesale prices averaged L.E. 0.70 per Kg, and retail prices were around LE 1.10 per Kg. In 1997/98, total mandarin consumption increased to 445,000 MT compared to 438,000 MT in 1996/97.

Trade

All mandarins exports are handled by the private sector. Mandarins do not require a special cleaning or waxing process. The major export market for Egyptian mandarins is Saudi Arabia. About 10, 000 MT of Egyptian mandarins were exported in 1997/98, of which 2,500 MT were exported to Saudi Arabia , 2,000 MT to Kuwait and 1,600 MT to Qatar. The balance was exported to African and European countries. The average export price for mandarins in the 1997/98 season was estimated at about \$220 MT/FOB.

Fresh Citrus, Other

PSD Table						
Country:	Egypt					
Commodity:	Fresh Citrus,Other					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		00/0000		00/0000		00/0000
Area Planted	16	16	17	17	0	17
Area Harvested	15	15	16	16	0	16
Bearing Trees	712	712	740	740	0	745
Non-Bearing Trees	585	585	610	610	0	610
TOTAL No. Of Trees	1297	1297	1350	1350	0	1355
Production	310	310	350	350	0	355
Imports	0	0	0	0	0	0
TOTAL SUPPLY	310	310	350	350	0	355
Exports	11	11	12	13	0	14
Fresh Dom. Consumption	291	291	328	327	0	328
Processing	8	8	10	10	0	13
TOTAL DISTRIBUTION	310	310	350	350	0	355

Sweet and sour limes and bitter oranges are the major types of other citrus produced in Egypt. Limes, known as “lamuun” in Arabic, account for most of this category. Lime trees produce throughout the year, with the greatest output occurring in the late summer months of September and October. Egyptian consumers have a strong preference for limes. Fresh sliced limes usually are served with all meals. A heavily sweetened fresh lime juice is also very popular, as are pickled limes which accompany many dishes.

Most of the production of bitter orange is processed into jelly and marmalade. Reliable statistical data on the production and marketing of bitter oranges is not available.

Grapefruit is another citrus fruit that is not very popular in Egypt. Most of the grapefruit grown are seedless varieties. The area currently under cultivation is estimated at approximately 100 hectares, mainly to service hotels, restaurants and other facilities that cater to the tourist industry. Unless export demand increases, grapefruits are not expected to become a significant citrus crop.